

BUSINESS CLEARANCE MEMORANDUM

Pre-Clearance No.
Post-Clearance No.
Pr No.

(Original to be returned to initiating contracting office)

ACTIVITY _____ DATE _____

TYPE OF PROCUREMENT (Check one)

____ Two Step Sealed Bidding _____ Full and Open Competition
____ Negotiated under 10 USC 2304 (c) ()
____ Negotiated under 10 USC 2304 (b) ()
____ Negotiated pursuant to Changes Clause

TYPE OF CONTRACT(S)**CLEARANCE TOTAL****CLEARANCE:**

A. () Pre-Negotiation B. () Authority to Contract C. () Competitive
() Post Negotiation () Authority to establish () Non-Competitive
() Letter Contract final price () FMS

CONTRACTOR(S) (Name, Address)**CONTRACT NO.(S)****CONTRACT AMOUNT(S)****DESCRIPTION OF WORK****TOTAL****PRICING STRUCTURE (If CPAF indicate base and award fee)****PRE-NEGOTIATION****POST-NEGOTIATION**

Cost

Fee/Profit

Other

Bonds and Taxes

Total

DELIVERY OR PERIOD OF PERFORMANCE

To Commence

To Finish

CONTACT POINTS FOR THIS DOCUMENT

Contracts

Phone #

Technical

Phone #

CLEARANCE RECOMMENDATION:

Approval of *(pre or post)* negotiation clearance and authority to *(negotiate or issue change)* are hereby requested.

CLEARANCE:

Prepared By *(Signature)* _____ Date _____
(Printed name and title)

Reviewed By *(Signature)* _____ Date _____
(Printed name and title)

APPROVED: _____ () UNCONDITIONAL _____ () CONDITIONAL

(Signature) _____ Date _____
(Printed name and title)

CONDITIONS: *(If Applicable)*

SECTION II. Pre-negotiation Compliances

1. Limit Competition via:
 - a) Determinations and Findings (D&F) to exclude a source (see FAR 6.202 and FAR Subpart 1.7) number ___ was approved on ___ by ___. Attach a copy.
 - b) Determination and Findings (D&F) for the Public Interest circumstances permitting Other Than Full and Open Competition (see FAR 6.302-7 and FAR Subpart 1.7) number ___ was approved on ___ by ___. Attach a copy.
 - c) A justification for Other Than Full and Open Competition (see FAR 6.303) number ___ was approved on ___ by ___. Attach a copy.
2. Acquisition Plan (AP) number ___ was approved on ___. This acquisition is in conformity with the approved AP. Yes ___. No ___. N/A ___. If No, explain. (FAR Part 7)
3. Synopsis of this acquisition was released to Commerce Business Daily. Yes ___. No ___. If No, explain. (FAR 5.202).
4. Certification of personal services approved.
 - a) Yes ___. No ___. N/A ___. If No, explain. (FAR 37.104).
 - b) Authority to contract out services approved by ___ on ___. N/A ___.
5. Pre-Award Disclosure Statement - Cost Accounting Practices and Certification was executed on ___. (FAR 30.201-3) The cognizant ACO determined that said Disclosure Statement was current, accurate and complete on ___.
6. Field Pricing Support was waived. Yes ___. No ___. N/A ___. (DFARS 215.805-5).
7. The Contractor has an adequate Accounting System as determined by CAO/DCAA on ___.
8. The Contractor has an approved Purchasing System as determined by the ACO on ___. (FAR 44.305)
9. The Contractor has submitted SF 1411, Contract Pricing Proposal Cover Sheet. Yes ___. No ___. N/A ___.
 - a) SF 1411, Contract Pricing Cover Sheet, for major subcontract(s) has been submitted in accordance with FAR 15.806-2. Yes ___. No ___. N/A ___. If No, explain.
10. Assist audits have been requested or received. Yes ___. No ___. N/A ___. If No, explain.
11. Pre-contract costs were approved by ___. N/A ___.
12. An approved Make or Buy Plan is on file. Yes ___. No ___. N/A ___.
13. EEO compliance has been requested or obtained. Yes ___. No ___. N/A ___. If No, explain. (FAR 22.8).
14. The prospective contractor has been determined to be responsible within the meaning of FAR Subpart 9.1 and is financially stable. Yes ___. No ___. N/A ___. If No, explain.
15. This clearance complies with the provisions of DOD Directive 7640.2 (Follow-up on Contract Audit Reports) dated 12 February 1988. Yes ___. No ___. N/A ___. If No, explain.

16. GSA Delegation of Procurement Authority (DPA) Acquisition was approved on ____; attach a copy. N/A ____.
17. ASN (RD&A) Approval/Authorization for ADP Acquisition was approved on ____; attach a copy. N/A ____.
18. A facilities determination and findings (D&F) has been made in accordance with FAR 45.302-1. Yes ____ (attach). No _____. N/A _____. If No, explain.
19. Identify any other applicable compliances.

SECTION III. Summary of Key Documents. (By reference and date.)

1. Solicitation
2. Contractor(s) Proposal(s) dated _____
3. Government Estimate(s) dated _____
4. DCAA Report(s)
5. ACO Report(s)
6. Technical Advisory Report(s)
7. Pre-Award Survey
8. Other

SECTION IV. Pre-negotiation Introduction.

1. Exhibits/Attachments (List in order as they appear in body of clearance.)
2. Background
 - a) Procurement history.
 - b) Negotiation environment (definitizing letter contract, etc.)
3. Source Selection
 - a) Discuss rationale for selection of source(s).
 - b) Extent competition solicited and secured.
 - c) If circumstances warrant, discuss financial stability of contractor.
4. Type of contract.
 - a) Type used. Discuss considerations made in determining the type of contract. Discuss the rationale for use of proposed contract type and unsuitability of other contract types.
 - b) Discuss the technical, schedule and cost risk involved.
5. For incentive or re-determinable contracts discuss all of the pricing provisions.

SECTION V. Pre-Negotiation Cost Analysis. (Provide a summary comparison in columnar format of (i) the contractor's proposal; (ii) the audit recommendations, when audits are requested (identify and detail areas of non-concurrences (see 5242.191; (iii) the field recommendations (when requested); and (iv) the pre-negotiation position by using the SF 1411, Contract Pricing Proposal Cover Sheet, and FAR Table 15-2 elements of cost.)

SECTION VI. Pre-negotiation Profit/Fee Analysis.

1. Discuss contractor's proposed profit/fee rate.
2. Support pre-negotiation profit/fee rate with completed DD Form 1547 and discuss use of each assigned weight, or discuss applicable exemption.

SECTION VII. Pre-negotiation Incentive/Award Fee Structure.

SECTION VIII. Pre-negotiation Special Provisions. (Discuss any special provision which may affect price.)

SECTION IX. Pre-negotiation Other Information. (Address other information, such as time extension, pertinent to the business clearance which is not included in the sections above.)

SECTION X. Pre-negotiation Attachment.

SECTION XI. Post-negotiation Clearance Compliances.

1. COMPLIANCES; (If Applicable).
 - a) The Contractor has submitted a "Certificate of Current Cost or Pricing Data" dated _____. (FAR 15.804-4)
 - b) Type of Contract Determination & Finding Number _____ has been approved by the Contracting Officer. (DFARS 216.301-3(c) and FAR 16.403 (c))
 - c) Pre-award clearance for Equal Employment Opportunity compliance has been obtained (see FAR 22.805) and will be included in the definitive contract file. Yes _____. No _____. If No, explain.
 - d) Subcontracting plan is required. (FAR 19.702) Yes _____. No _____. If No, explain.
2. NEGOTIATIONS:
 - a) Negotiations were conducted with the contractor from _____ through _____. The following participated in negotiations.
 - b) Discuss attendance/non attendance of DCAA auditor at negotiation clearance for DCAA auditor attendance at negotiations.

SECTION XII. Post-negotiation Summary.

1. References and Exhibits/Attachments. (List in order as they appear in the body of the post-negotiation clearance.)
2. Background.
 - a) Update events since Pre-Negotiation Business Clearance approval:
 - b) Resolution of Pre-Negotiations Business Clearance approval conditions:
 - c) Resolution of DCAA Audit findings:
3. Results of Negotiations.

Summary of negotiations. See the Post-Negotiation Business Clearance spreadsheet, Attachment ____.

 - a) Reliance on Cost or Pricing Data submitted and certified by Contractor. The final negotiated price, with the related terms and conditions, is fair and reasonable because:
4. Auditor Attendance. (Discuss extent of DCAA auditor attendance in negotiation sessions.)
5. Other Information. Provide other information pertinent to the clearance not previously addressed, including time extension discussion.
6. Attachments - These shall include:
 - a) Certificate of Current Cost or Pricing Data - per FAR 15.804-4.
 - b) DD Form 1547.
 - c) New or revised non-standard clauses.
 - d) Solicitation amendment(s) based on negotiations.

N62470-
Date

From: Lead Negotiator
To: Contracting Officer

Subj: CONTRACT N62470- , Title

Ref: (a) Pre Negotiation Business Clearance No.
(b) NAPS 5201.690-3

Encl: (1) Certificate of Current Cost and Pricing Data

1. In accordance with the waiver granted by reference (a) and pursuant to the requirements of reference (b), the following information is provided.

2. Negotiations for the subject contract modification were held on .
represented the Government and represented the contractor. The DCAA auditor did not attend negotiations.

3. The contractor submitted a Certificate of Current Cost and Pricing Data dated , enclosure (1). The Government relied on the data provided for subcontractor pricing.

4. The negotiated amount was \$, which was the Government's Pre- Negotiation position and is within the limits prescribed in reference (a). During negotiations, the scope of work was discussed and all required work was included in the contractor's proposal. The subcontractor's terms were also reviewed and it was understood by the contractor that payments would not be made for materials until their arrival at the jobsite.

5. The authority to issue the contract modification is hereby requested.

Assistant Officer in Charge of Construction

APPROVED BY:

Supervisory Contract Specialist
Contracting Officer